

BROADCASTS TO SCHOOLS:

EASTER TERM, 1965

DIVISION: FORMS 1- 4

AGE GROUP: 12 years plus

SERIES: CURRENT AFFAIRS

PROGRAMME (2) THE GOVERNMENT'S VOLUNTARY SAVING SCHEME

RECORDING:

TRANSMISSION: Wednesday, February 3, 1965 (2.46 - 2.58 p.m.)

NARR: Hello boys and girls,

In the last few weeks there has been a lot of talk about ^{the} Government's Savings Scheme. I'm sure you've heard it mentioned on the radio and some of you who read the newspapers may have seen it there. Well what is it all about? Let's put it very simply to start with: let's say that Government is asking the people of the country to lend it some money. Does this sound strange? It isn't really strange you know - it's done in quite a number of countries. But first of all let's see how Government gets its money.

Nowadays to run a country is ^a very expensive business. First of all the Government has to keep order. This means that it has to have a large number of policemen, magistrates, judges and sometimes soldiers. And it has to pay all these people who work to keep order. Then it has to see that the people of this country have certain things provided for them - we call them social services. Can you name some of these? Well you should know at least one - Schools. And there are lots more - roads, ferries across our rivers, hospitals, plane services - old age pensions - and lots more. And all the people

/who run these.....

who run these services.— Some of them are called Civil Servants—have to be paid also. So you see that every year Government has got to find a large sum of money to keep things going. And the more people there are in the country the more Government will have to spend on these things. All right then. But where does the money come from? One of the ways is called Income Tax - and that means what it says - it's a tax on Incomes. And there is a very interesting idea behind this Tax - and that is, it makes people with large incomes pay a lot more than people with small incomes - not just more money but more in proportion. You don't just say "We will take 10% out of everybody's income". That would be unfair - for 10% from a small salary is much harder to bear than from a big salary. No you say " We will take 5% from the man with a small salary, 10% from a man with a medium sized salary and perhaps 15% from a man with a big salary and so on." That's one way.

Then there are indirect Taxes - you don't notice those so easily because you are not really told when you are being taxed. Suppose you went into the store to buy say a record. The record may be really sold by the store for \$2.75 but you may pay \$3.00 - that is

/25 cents is a tax.....

25 cents is a tax and it goes to the Government. And when things come into the country from other countries they ^{impose} have to pay a duty - that means a tax before they can be landed from the ship and sent into the country. And there are all sorts of other ways - you must know of some of them.....bicycle licenses, ~~dog~~ ^{dog} licenses, radio licenses and stamps, which the Government sells to you at the Post Office.

But boys and girls, even though money comes into the Government from all these ways, yet in a country like Guyana this is not enough. Why? Because Guyana is what we call an underdeveloped country. By that we mean it hasn't got enough roads, schools, housing schemes - but most of all, that we aren't making full use of all the things that are found in the country - timber, minerals, our crops - and we don't have enough ^{jobs} work for our people. And nowadays people all over the world expect their Government to have the biggest share in developing the country. As a matter of fact, in some countries people believe that the Government alone should develop the country. But where is Government going to get this extra money from? If a Government taxes its people too hard - that is if income tax is very heavy and the prices of things become too high - the people may become annoyed and restless. And no good government likes to have this state of affairs. But it still needs the money. So one way is to ask the people to lend it the money. And you know when you lend someone money you

/expect to get.....

expect to get it back at the end of a certain time. So when you lend Government money you can expect to get it back after a number of years. But you don't just lend the government money. The Government say that while it is using your money it will, every year give you a certain percentage of that money. This is called interest and what it amounts to is a little profit for you. In addition to this you get your money back after so many years. So in the end when you get your money back, you will have got back more than you lent, if you add on the interest that Government gave you every year. Let's take an example - Suppose Mr. X lent the government \$300 for five years. And the Government said it would pay 10% interest every year. Well 10% of \$300 is \$30. If he gets \$30.00 ^{every} ~~per~~ year for five years then he ends up with \$150.00 and when you add that to \$300.00 you get \$450.00. So he ends up with a lot more than he lent the Government.

Well boys and girls, this idea or scheme as we call it - is quite clever; you see it helps the Government to pay for the development of the country and it brings a little profit as well to the people who lent - or as we say invested ^{their} ~~thier~~ money. And when the country begins to develop there will be more schools, more hospitals, more roads and of course more jobs.

Now this is the kind of scheme that the Minister of Finance the Hon'ble Peter D'Aguiar has put up recently and up to now Guyanese have invested more than \$1,500.000 in the Government. And the terms are so

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This is a good sign since it means that quite a few people in Guyana are ready to lend Government their money for the good of everybody in Guyana.

OPR:

PLAY THEME: